

Public Health Service, HHS

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the condition that any applicable certificates of need and section 1122 finding required under § 124.4(f) will be provided, if such certificates and finding have not been received by the Secretary within 180 days of the grant award, the grant award will automatically become null and void.

§ 124.6 Grant payments.

Grant payments shall be made to the applicant in accordance with the requirements of subpart K of 45 CFR part 74.

§ 124.7 Use of grant funds.

Any funds granted pursuant to this subpart, as well as funds assured by the applicant for the project, shall be expended solely for carrying out the approved project in accordance with section 1625 of the Act, the regulations of this subpart, the terms and conditions of the grant award, and the applicable cost principles prescribed by subpart Q of 45 CFR part 74.

§ 124.8 Grantee accountability.

(a) *Records requirements.* (1) Applicants who have received Federal assistance under this subpart shall maintain, in accounting records which are separate from the records of all other funds, records which fully disclose the following:

(i) The amount of all payments received from the Secretary under this subpart,

(ii) Amounts and sources of all funds, in addition to funds received under this subpart, applied to the construction or modernization project funded under this subpart,

(iii) Disposition of all funds for the construction or modernization project funded under this subpart,

(iv) Total cost of the project approved under this subpart, and

(2) Upon request, applicants shall make such records, books, papers, or other documents available to the Secretary and the Comptroller General of the United States or any of their duly authorized representatives which, in their opinion, may be related or pertinent to the grant under this subpart.

(b) *Annual financial statement.* An applicant who receives grant assistance under this subpart shall, not later than

120 days after the end of its fiscal year, unless a longer period is approved by the Secretary for good cause shown, file an annual financial statement which meets the requirements of section 1634 of the Act.

§ 124.9 Nondiscrimination.

(a) Attention is called to the requirements of title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. 2000d *et seq.*) and in that particular section 601 of such Act which provides that no person in the United States shall, on the grounds of race, color or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. A regulation implementing such title VI, which is applicable to grants made under this subpart, has been issued by the Secretary with the approval of the President (45 CFR part 80).

(b) Attention is called to the requirements of section 504 of the Rehabilitation Act of 1973, as amended, which provides that no otherwise qualified handicapped individual in the United States shall, solely by reason of the handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. A regulation implementing section 504 has been issued (45 CFR part 84 (42 FR 22676, May 4, 1977)).

(c) All portions and services of the entire facility for the construction or modernization of which, or in connection with which aid under the Act is sought must be made available without discrimination on account of creed and the applicant may not discriminate against any qualified person on account of creed with respect to the privilege of professional practice in the facility.

(d) Attention is also called to the requirements of title IX of the Education amendments of 1972 and in particular to section 901 of such Act (20 U.S.C. 1681) which provides that no person in the United States shall, on the basis of sex be excluded from participation in,

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be denied the benefits of, or be subjected to discrimination under any education program or activity receiving Federal financial assistance (45 CFR part 86).

(e) Each construction contract is subject to the condition that the applicant shall comply with the requirements of section 321 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, as amended, which provides that alcohol abusers and alcoholics who are suffering from medical conditions shall not be discriminated against in admission or treatment, solely because of their alcohol abuse or alcoholism by any private or public general hospital that receives support in any form from any federally funded program.

(f) Each construction contract is subject to the condition that the applicant shall comply with the requirements of section 407 of the Drug Abuse Office and Treatment Act of 1972, as amended, which provides that drug abusers who are suffering from medical conditions shall not be discriminated against because of their drug abuse or drug dependence, by any private or public general hospital that receives support in any form from any federally funded program.

§ 124.10 Additional conditions.

The Secretary may impose additional conditions prior to or at the time of any grant award when in the Secretary's judgment such conditions are necessary to assure or protect advancement of the project in accordance with the purposes of the Act and the regulations of this subpart or the conservation of grant funds.

§ 124.11 Applicability of 45 CFR part 74.

The provisions of 45 CFR part 74, establishing uniform administrative requirements and cost principles, shall apply to all grants under this subpart to State and local governments as those terms are defined in subpart A of that part 74, except to the extent inconsistent with this subpart. The relevant provisions of the following subparts of part 74 shall also apply to grants to all other grantee organizations under this subpart.

42 CFR Ch. I (10–1–04 Edition)

45 CFR PART 74

Subpart:

- A General.
- B Cash depositories.
- C Bonding and insurance.
- F Grant-related income.
- G Matching and cost sharing.
- L Budget revision procedures.
- M Grant closeout, suspension, and termination.
- O Property.
- P Procurement standards.
- Q Cost principles.

Subparts B–E [Reserved]

Subpart F—Reasonable Volume of Uncompensated Services to Persons Unable to Pay

AUTHORITY: 42 U.S.C. 216; 42 U.S.C. 300s(3).

SOURCE: 52 FR 46031, Dec. 3, 1987, unless otherwise noted.

§ 124.501 Applicability.

(a) The provisions of this subpart apply to any recipient of Federal assistance under title VI or XVI of the Public Health Service Act that gave an assurance that it would make available, in the facility or portion of the facility constructed, modernized or converted with that assistance, a reasonable volume of services to persons unable to pay for the services.

(b) The provisions of this subpart apply to facilities for the following periods:

(1) *Facilities assisted under title VI.* Except as otherwise herein provided, a facility assisted under title VI of the Act shall provide uncompensated services at the annual compliance level required by § 124.503(a) for:

(i) Twenty years after the completion of construction, in the case of a facility for which the Secretary provided grant assistance under section 606 of the Act; or

(ii) The period from completion of construction until the amount of a direct loan under sections 610 and 623 of the Act, or the amount of a loan with respect to which the Secretary provided a guarantee and interest subsidy under section 623 of the Act, is repaid, in the case of a facility for which such a loan was made.